STATE OF DELAWARE

OFFICE OF AUDITOR OF ACCOUNTS

THOMAS A. EDISON CHARTER SCHOOL

STUDENT ACCOUNTING AND ENROLLMENT

AGREED-UPON PROCEDURES ENGAGEMENT

SEPTEMBER 30, 2007

FEBRUARY 11, 2008

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Independent Accountant's Report on Applying Agreed-Upon Procedures

The Honorable Valerie A. Woodruff Secretary Department of Education Townsend Building, Suite 2 401 Federal Street Dover, DE 19903-1402 Ronald Pinkett President Thomas A. Edison Charter School 2200 North Locust Street Wilmington, DE 19802

Dear Secretary Woodruff and Mr. Pinkett:

We have performed the procedures enumerated below, which were agreed to by the Department of Education (DOE) and Thomas A. Edison Charter School (the School), solely to assist the specified parties in evaluating the School's compliance with laws and regulations in regard to Student Accounting and Enrollment as of September 30, 2007. The School's management is responsible for the School's compliance with those requirements.

This agreed-upon procedures engagement was performed in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States and the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures were as follows:

- 1. Determine if the Charter School's policies and procedures for preparing, reviewing, and reporting the September 30th student count are adequate.
- 2. Determine if the Charter School properly reported enrollment figures to the DOE. Calculate the dollar impact of disallowed students, if applicable.
- 3. Select 10 percent (10%) or a minimum of five "Individualized Education Program" (IEP) files at the Charter School and verify that each file contains the required documentation in accordance with the DOE's Administrative Manual for Special Education Services. Calculate the dollar impact of disallowed services, if applicable.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with specified laws. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the DOE and the School and is not intended to be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited. This report, as required by statute, was provided to the Office of the Governor, Office of the Controller General, Office of the Attorney General, Office of Management and Budget, and Department of Finance.

R. Thomas Wagner, Jr., CFE, CGFM, CICA Auditor of Accounts Office of Auditor of Accounts

February 11, 2008

SCHEDULE OF FINDINGS

Procedure #1

Determine if the Charter School's policies and procedures for preparing, reviewing and reporting the September 30th student count are adequate.

Finding #1

Criteria

The State of Delaware Budget and Accounting Policy Manual states, "Department or agency heads are responsible for establishing and maintaining an effective system of internal control." Additionally, the manual states, "Internal control provides management with reasonable assurance that it's policies and procedures are implemented and consistently followed to ensure efficient and effective organization operation." Further, the manual states, "A well designed system of controls must include written policies and procedures to ensure that each control objective is met."

Condition

Although Thomas Edison Charter School had sufficient processes for the September 30th unit count, the policy needs to be updated to reflect the use of eSchoolPLUS and the removal of programs not being used by the School.

Cause

School management did not update the existing policies for the September 30th unit count when eSchoolPLUS was initiated in 2006.

Effect

Inaccurate policies and procedures may result in an inaccurate September 30th student count.

Recommendation

Based on our review, Thomas Edison Charter School should update their policies and procedures reflecting the use of eSchoolPLUS and the removal of programs not being by used by the School.

Auditee Response

Thomas Edison Charter School update their policies and procedures manual following the February audit according to the recommendations given at the engagement. All reference to previously used data systems were removed and all new directions related to eSchoolPLUS were clearly labeled and documented as to the steps to follow for accurate reporting. The revised policies and procedures have been reviewed by the auditors and we believe we are in full in compliance.

SCHEDULE OF PRIOR YEAR FINDINGS

The following schedule summarized the prior year findings and the status of the prior year findings.

Prior Year Finding	Recommendation	Status of Prior Year Finding
Based on our review of selected files, the	Thomas A. Edison Charter School review and	Implemented.
School incorrectly reported the disability	update records for the correct disability	
category for one student. The student should	category. Thomas A. Edison Charter School	
have been reported as a part-time PI student;	report special education services based on the	
the school reported the student as part-time	level of special education service as defined by	
EMD. The incorrect reporting did not affect	the current IEP.	
the number of units earned.		

Status Key:

<u>Implemented</u> The concern has been addressed by implementing the original or an alternate corrective action.

Not Implemented The corrective action has not been initiated.

<u>Partially Implemented</u> The corrective action has been initiated but is not complete and the auditor has reason to believe management fully

intends to address the concern.

DISTRIBUTION OF REPORT

Copies of the School's Agreed-Upon Procedures Engagement have been distributed to the following public officials:

Executive Branch

The Honorable Ruth Ann Minner, Governor, State of Delaware

The Honorable Richard S. Cordrey, Secretary, Department of Finance

The Honorable Jennifer W. Davis, Director, Office of Management and Budget

The Honorable Valerie Woodruff, Secretary, Department of Education

Ms. Dorcell Spence, Associate Secretary, Finance and Administrative Services, Department of Education

Ms. Trisha Neely, Director, Division of Accounting, Department of Finance

Legislative Branch

The Honorable Russell T. Larson, Controller General, Office of Controller General

Other Elective Offices

The Honorable Joseph R. Biden III, Attorney General, Office of the Attorney General The Honorable Jack Markell, Treasurer, State Treasurer's Office

Other

Mr. Ronald Pinkett, President, Thomas A. Edison Charter School

Mr. Darryl Simms, Interim Principal, Thomas A. Edison Charter School

Dr. Alina Columbus, Thomas A. Edison Charter School

Ms. Heidi Collazo, Unit Count Coordinator, Thomas A. Edison Charter School